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3-8-05

Shaw Environmental, Inc.

19909 120th Ave. N.E., Suite 101  
Bothell, WA 98011  
425.485.5000  
Fax: 425.486.9766



March 8, 2005

Mr. Michael Anderson  
Longview Fibre Company  
5901 East Marginal Way South  
Seattle, Washington 98134-2414

Re: Proposal for Stormwater Pollution Prevention Plan Revision  
Longview Fibre Box Plant  
Seattle, Washington

Dear Mr. Anderson:

Shaw Environmental, Inc. (Shaw) is pleased to submit this scope and cost proposal for updating the existing stormwater pollution prevention plan (SWPPP) associated with the Longview Fibre Box Plant located in Seattle, Washington. This proposal was prepared in response to your telephone communication of February 10, 2005 and our subsequent site visit.

### **Scope of Work**

The existing SWPPP for the Longview Fibre Box Plant in Seattle, Washington was last modified in August 2001. The purpose of the SWPPP is to identify potential pollution sources and practices that minimize and control pollutants in stormwater runoff. The SWPPP will serve as a guide for operators of Longview Fibre Box Plant to identify possible stormwater contamination and to develop and implement management methods to minimize pollution in stormwater discharge.

The control measures outlined in the SWPPP will be developed to meet the requirements for the SWPPP listed in the *National Pollutant Discharge Elimination System and State Waste Discharge Baseline General Permit for Stormwater Discharges Associated with Industrial Activities* (NPDES Permit) (Washington Department of Ecology Permit Number S03-000206). The SWPPP will be developed to comply with the NPDES permit requirements outlined in Section S9 of the General Permit.



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***Task 1 – Compile Background Materials***

This task will include consulting with you to determine any process changes since the last SWPPP modification; updating the materials inventory and material safety data sheets for all materials currently handled and stored at the plant; identifying appropriate members of the pollution prevention team; obtaining a current copy of the site spill prevention, control, and countermeasures (SPCC) plan; and obtaining updated site drawings if available.

***Task 2 – Revise SWPPP***

This task will incorporate the information gathered during Task 1 to create a revised SWPPP for the Longview Fibre Box Plant in compliance with the NPDES permit requirements outlined in Section S9 of the General Permit. Best management practices (BMPs) will be updated in accordance with Ecology's Stormwater Management Manual for Western Washington. The most significant change will be the inclusion of a monitoring plan to detail quarterly stormwater monitoring requirements that were not required in the past. Three hard copies and one electronic copy of the final SWPPP will be delivered upon completion of this task.

***Project Cost and Schedule***

The cost estimates are based on our understanding of the services requested by Longview Fibre. The total cost estimate for this scope of work is \$1,776. Table 1 summarizes the estimated costs for the project by task.

Should information become available that indicates a need for activities beyond the proposed and agreed scope of work, Longview Fibre will be notified immediately. If additional activities are authorized by Longview Fibre, the scope of work will be modified accordingly and submitted to Longview Fibre for approval. No work outside the agreed scope of work will be performed without written authorization by Longview Fibre. Shaw will work with Longview Fibre representatives to develop a mutually agreeable project schedule.

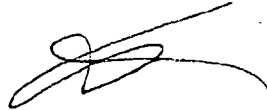
We are prepared to begin work immediately upon your authorization.

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We look forward to working with you on this project and appreciate the opportunity to be of service to Longview Fibre. If you have any questions or comments, please do not hesitate to call me at (425) 402-3208.

Sincerely,

SHAW ENVIRONMENTAL, INC.



Aaron Moldver  
Project Manager



Kent Wiken P.E.  
Senior Project Engineer

Attachments: Table 1 – Estimated Project Costs

**Table 1 - Estimated Project Costs**  
**SWPPP Revision**  
**Longview Fibre Box Plant**  
**Seattle, Washington**

Labor Category	Rate	Task 1		Task 2		TOTAL	
		Hours	Amount	Hours	Amount	Hours	Amount
<b>SAP/Reporting</b>							
Project Engineer	129	0	\$ -	2	\$ 258	2	\$ 258
Project Scientist	70	6	\$ 420	12	\$ 840	18	\$ 1,260
CAD	56	0	\$ -	3	\$ 168	3	\$ 168
Administrative Support	45	0	\$ -	2	\$ 90	2	\$ 90
<b>Total Direct Labor</b>		6	\$ 420	19	\$ 1,356	25	\$ 1,776
<b>Total Estimated Cost</b>		6	\$ 420	19	\$ 1,356	25	\$ 1,776

**Tasks:**

1. Gather Background Materials
2. Revise SWPPP

# SHAW ENVIRONMENTAL, INC.

## PROFESSIONAL SERVICES AGREEMENT

Shaw Environmental, Inc., a Louisiana corporation ("Shaw"), agrees to perform for the undersigned CLIENT professional engineering, consulting and/or analytical services ("Services") described in Exhibit 2 attached hereto, on a fixed price basis, under the terms and conditions set forth below.

**1. FEES FOR PROFESSIONAL SERVICES:** Shaw will invoice a fixed price of \$ 1236.00 for its Services. Any additional services required by CLIENT will be invoiced in accordance with Shaw's published rate schedules in effect on the date when Services are performed. Copies of the current schedules are attached as Exhibit 1. Shaw will notify CLIENT of any revisions to the rate schedules and the effective date thereof, which date shall not be less than thirty (30) days after such notice.

**2. INVOICES AND PAYMENTS:** Invoices will be submitted either biweekly or once a month at Shaw's option, with payment due upon receipt of invoice. Shaw may require advance payment for all or a portion of the Services. Payment shall be in U.S. Dollars. CLIENT shall be responsible for payment (without deduction or offset from the total invoice amount) of any and all sales, use, value added, gross receipts, franchise and like taxes, and tariffs and duties, and all disposal fees and taxes, levied against Shaw or its employees by any government or taxing authority. A service charge equal to one and one-half (1-1/2) percent per month, or the maximum rate permitted by law, whichever is less, will be added to all accounts which remain due and owing and unpaid for more than thirty (30) calendar days beyond the date of the invoice.

**3. CLIENT'S OBLIGATION:** To assist Shaw in performing the Services, CLIENT shall (i) provide Shaw with all available material, data, and information in its possession pertaining to the specific project or activity, (ii) consult with Shaw when requested to convey and discuss materials, data, and information, (iii) permit Shaw reasonable access to CLIENT location(s) when necessary and at any reasonable time requested, (iv) ensure cooperation of CLIENT's employees as participants in personal air sampling studies or other activities reasonable and appropriate under the circumstances, and (v) notify and report to all regulatory agencies, except to the extent Shaw is specifically requested in writing to do so.

**4. CONFIDENTIALITY:** In the course of performing Services, to the extent that CLIENT discloses to Shaw, or Shaw otherwise acquires, business or technical information that CLIENT clearly marks as confidential or proprietary, Shaw will receive and maintain in confidence such information and will exercise all reasonable efforts to avoid the disclosure of such information to others. Shaw will not use such information for any purpose other than the performance of Services for CLIENT. CLIENT shall treat as confidential all information and data furnished to it by Shaw in connection with this Agreement including, but not limited to, Shaw's technology, formulae, procedures, processes, methods, trade secrets, ideas, inventions, and/or computer programs; and CLIENT shall not disclose such information to any third party, except to a related company which has first agreed in writing with Shaw to an obligation of confidentiality identical to the obligations of CLIENT as set forth in this Section 4.

Nothing herein is meant to prevent nor shall be interpreted as preventing either party from disclosing and/or using said information or data (i) when the information or data are actually known to the receiving party before being obtained or derived from the transmitting party, (ii) when information or data are generally available to the public without the receiving party's fault at any time before or after it is acquired from the transmitting party; or (iii) where the information or data are obtained or acquired in good faith at any time by the receiving party from a third party who has the same in good faith and who is not under any obligation to the transmitting party in respect thereto; (iv) where a written release is obtained by the receiving party from the transmitting party, (v) five (5) years from the date of receipt of such information; or (vi) when required by process of law; provided, however, upon service of such process, the recipient thereof shall notify the other party and afford it an opportunity to resist such process.

**5. DOCUMENTS:** All reports, drawings, plans, or other documents (or copies) furnished to Shaw by the CLIENT, shall, at CLIENT's written request, be returned upon completion of the Services hereunder; provided, however, that Shaw may retain one (1) copy of all such documents.

**6. RIGHT TO USE:** CLIENT may use any final reports of findings, feasibility studies, industrial hygiene and safety, engineering work or other work performed or prepared by Shaw under this Agreement in connection with the project and/or location indicated in the Services for which such work was prepared, but Shaw reserves all other rights with respect to such documents and all other documents produced in performing the Services. CLIENT shall obtain prior written consent from Shaw for any other use, distribution, or publication of such reports or work results. Unless otherwise expressly agreed to in writing, nothing in this Agreement shall be interpreted to prevent Shaw from application and use of any information learned by it from this project (subject to the provisions of Section 4). All reports will be delivered subject to Shaw's then current limitations.

**7. PATENTS AND CONFIDENTIAL INFORMATION:** Shaw shall retain all right and title to all patentable and unpatentable inventions including confidential know-how developed by Shaw hereunder in its field of expertise. Shaw hereby grants to CLIENT a royalty-free, nonexclusive, nonassignable license as to such inventions and know-how to use the same in any of CLIENT's facilities. CLIENT shall retain all right and title to all patentable and unpatentable inventions including confidential know-how developed by it and/or by Shaw hereunder in CLIENT's field of expertise. Information submitted to CLIENT by Shaw hereunder is not intended nor shall such submission constitute inducement and/or contribution to infringe any patent(s) owned by a third party, and Shaw specifically disclaims any liability therefor.

**8. PROJECT DELAYS:** If Shaw is delayed at any time in performing Services by an act, failure to act or neglect of CLIENT or CLIENT's employees or any third parties; by changes in the scope of the work; by unforeseen, differing or changed circumstances or conditions including acts of force majeure, including without limitation, fires, floods, riots, and strikes; by foreign or domestic government acts or regulations; by delay authorized by CLIENT and agreed to by Shaw; or by any cause beyond the reasonable control of Shaw, then the time for completion of such Services shall be extended based upon the impact of the delay. Shaw shall receive an equitable compensation adjustment if any of the above require additional Services or result in additional costs to Shaw.

**9. INSURANCE:** Shaw is presently protected by Worker's Compensation Insurance as required by applicable law and by General Liability and Automobile Liability Insurance (in the amount of \$1,000,000 combined single limit) for bodily injury and property damage. Insurance certificates will be furnished on request. If the CLIENT requires further insurance coverage, Shaw will endeavor to obtain said coverage, and CLIENT shall be charged therefor.

**10. RISK ALLOCATION - CLIENT hereby agrees that: (1) there are risks inherent to environmental investigation, analysis, management, remediation, and removal, many of which cannot be ascertained or anticipated prior to or during the course of the Services; (2) due to the inherently limited nature and amount of the data resulting from environmental investigation methods, complete analysis of conditions is not always possible, and, therefore, conditions frequently vary from those anticipated earlier; and (3) technology, methods, accepted professional standards as well as law and policy, are undefined and/or constantly changing and evolving. In light of all of the foregoing and Shaw's lack of responsibility for creating the conditions requiring the Services and the unavailability of insurance, as a material inducement to and consideration for Shaw's agreement to perform the Services on the terms and at the price herein provided for, CLIENT SPECIFICALLY AGREES THAT SHAW'S LIABILITY SHALL BE STRICTLY LIMITED AS AND TO THOSE CAUSES AND AMOUNTS PROVIDED IN SECTIONS 11 AND 12 OF THIS AGREEMENT OR TO THE MAXIMUM EXTENT OTHERWISE PERMITTED BY LAW.**

**11. WARRANTY AND INDEMNIFICATION:** Shaw is an independent contractor and Shaw's Services will be performed, findings obtained, and recommendations prepared in accordance with generally and currently accepted professional practices and standards for firms engaged in similar work. THIS

**WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES EITHER EXPRESS OR IMPLIED.**

Shaw shall defend, indemnify and hold harmless CLIENT from and against loss or damage to tangible property, or injury to persons, to the extent arising from the negligent acts or omissions or willful misconduct of Shaw, its subcontractors, and their respective employees and agents acting in the course and scope of their employment; provided, however, Shaw shall indemnify CLIENT from and against any loss or damage in the handling or management of any hazardous or radioactive material, or any pollution, contamination, or release of hazardous or radioactive materials, only to the extent resulting from Shaw's gross negligence or willful misconduct. CLIENT shall defend, indemnify and save harmless Shaw (including its parent, subsidiary, and affiliated companies and their officers, directors, employees, and agents) from and against, and any indemnity by Shaw shall not apply to, loss, damage, injury or liability arising from the (i) acts or omissions of CLIENT, its contractors, and their respective subcontractors, employees and agents, or of third parties; (ii) any allegations that Shaw is the owner, operator, manager, or person in charge of all or any portion of a site, or arranged for the treatment, transportation, or disposal of, or owned or possessed, or chose the treatment, transportation or disposal site for, any material with respect to which Services are provided, and (iii) any pollution, contamination or release of hazardous or radioactive materials, including all adverse health effects thereof, except for any portion thereof which results from Shaw's gross negligence or willful misconduct.

**12. LIMITATION OF LIABILITY:**

a. **LIMITATION - CLIENT'S SOLE AND EXCLUSIVE REMEDY FOR ANY ALLEGED BREACH OF WARRANTY BY SHAW SHALL BE TO REQUIRE SHAW TO RE-PERFORM ANY DEFECTIVE SERVICES; FURTHER SHAW'S LIABILITY AND CLIENT'S REMEDIES FOR ALL CAUSES OF ACTION ARISING HEREUNDER WHETHER BASED IN CONTRACT, WARRANTY, NEGLIGENCE, INDEMNITY, OR ANY OTHER CAUSE OF ACTION, SHALL NOT, TO THE MAXIMUM EXTENT PERMITTED BY LAW, EXCEED IN THE CUMULATIVE AGGREGATE (INCLUDING INSURANCE) WITH RESPECT TO ALL CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE LESSER OF THE AMOUNT OF COMPENSATION FOR SUCH SERVICES, OR \$100,000 (WHICH AMOUNT INCLUDES ANY FEES AND COSTS INCURRED IN RE-PERFORMING SERVICES). THE REMEDIES IN THIS AGREEMENT ARE CLIENT'S SOLE AND EXCLUSIVE REMEDIES, AND ALL CLAIMS, INCLUDING THOSE FOR NEGLIGENCE OR ANY OTHER CAUSE WHATSOEVER SHALL BE DEEMED WAIVED UNLESS SUIT THEREON IS FILED WITHIN ONE (1) YEAR AFTER SHAW'S SUBSTANTIAL COMPLETION OF THE SERVICES. FURTHER, SHAW SHALL HAVE NO LIABILITY FOR ANY ACTION INCLUDING DISCLOSURE OF INFORMATION WHERE SHAW BELIEVES IN GOOD FAITH THAT SUCH ACTION IS REQUIRED BY PROFESSIONAL STANDARDS OF CONDUCT FOR THE PRESERVATION OF PUBLIC HEALTH, SAFETY OR WELFARE, OR BY LAW.**

**B. CONSEQUENTIAL DAMAGES: FURTHER AND NOTWITHSTANDING ANY OTHER PROVISION HEREIN, SHAW SHALL NOT BE RESPONSIBLE FOR ANY INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF PROFITS) INCURRED BY CLIENT OR FOR WHICH CLIENT MAY BE LIABLE TO ANY THIRD PARTY OCCASIONED BY SERVICES PERFORMED HEREUNDER OR BY APPLICATION OR USE OF REPORTS OR OTHER WORK PERFORMED HEREUNDER.**

**13. GOVERNING LAWS:** This Agreement shall be governed and construed in accordance with the laws of the state in which Services are to be performed.

**14. TERMINATION:** Either party may terminate the Agreement upon twenty (20) day's written notice to the other party. Upon such termination, CLIENT shall pay Shaw for all Services performed hereunder up to the date of such termination. In addition, if CLIENT terminates, CLIENT shall pay Shaw all reasonable costs and expenses incurred by Shaw in effecting the termination, including, but not limited to noncancelable commitments and demobilization costs.

**15. ANALYTICAL AND OTHER SERVICES:** This Agreement is limited to engineering, consulting and/or related analytical Services. If Shaw performs other services, at CLIENT's request then such services shall be performed under and

subject to such terms and conditions as are agreed upon in writing by Shaw and CLIENT prior to performing such Services, or, in the absence of such an Agreement, the terms and conditions set forth in Shaw's Master Services Agreement, as published at the time such services are performed.

**16. ASSIGNMENT:** Neither Shaw nor CLIENT shall assign any right or delegate any duty under this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Services may be performed by any subsidiary or affiliate of The Shaw Group, Inc. or other person designated by Shaw, and, Shaw may, upon notice to CLIENT, assign, pledge or otherwise hypothecate the cash proceeds and accounts receivable resulting from the performance of any services or sale of any goods pursuant to this Agreement.

**17. MISCELLANEOUS:**

a. **ENTIRE AGREEMENT/ACCEPTANCE** - The terms and conditions set forth herein constitute the entire understanding of the Parties relating to the provisions of the Services by Shaw to the CLIENT. All previous proposals, offers, and other communications relative to the provisions of these Services by Shaw, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated. In the event of conflict, this Agreement shall govern. CLIENT may accept these terms and conditions by execution of this Agreement or by authorizing Shaw to begin work. Any modifications or revision of any provisions hereof or any additional provisions contained in any purchase order, acknowledgment or other form of the CLIENT is hereby expressly objected to by Shaw and shall not operate to modify the Agreement.

b. **ATTORNEY FEES** - In the event either party shall be successful in any suit for damages for breach of this Agreement, including nonpayment of invoices, or to enforce this Agreement or to enjoin the other party from violating this Agreement, such party shall be entitled to recover as part of its damages its reasonable legal costs and expenses for bringing and maintaining any such action.

c. **WAIVER OF TERMS AND CONDITIONS** - The failure of Shaw or CLIENT in any one or more instances to enforce one or more of the terms or conditions of this Agreement or to exercise any right or privilege in the Agreement or the waiver by Shaw or CLIENT of any breach of the terms or conditions of this Agreement shall not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same shall continue and remain in force and effect as if no such failure to enforce had occurred.

d. **SEVERABILITY AND SURVIVAL** - Each provision of this Agreement is severable from the others. Should any provision of this Agreement be found invalid or unenforceable, such provision shall be ineffective only to the extent required by law, without invalidating the remainder of such provision or the remainder of this Agreement. Further, to the extent permitted by law, any provision found invalid or unenforceable shall be deemed automatically redrawn to the extent necessary to render it valid and enforceable consistent with the parties' intent. For example, if the gross negligence standard in Sections 11 is unenforceable under an applicable anti-indemnity statute, but a sole negligence standard is enforceable, the sole negligence standard shall be automatically substituted therein. The terms and conditions set forth herein shall survive the termination of this Agreement.

IN WITNESS WHEREOF, CLIENT and Shaw agree to the foregoing  
(INCLUDING THE LIMITATIONS ON LIABILITY IN SECTIONS 10-12)  
and have caused this Agreement to be executed by their respective duly  
authorized representatives as of the date set forth below.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

CLIENT

\_\_\_\_\_


By: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Shaw Environmental, Inc



By: LIEF CHRISTENSON

Title: PROGRAM MANAGER

Address: 19909 120<sup>TH</sup> AVE NE, STE 101

BOTHELL, WA 98011

ATTACHMENTS: Exhibit 1 - Rate Schedule  
Exhibit 2 - Scope of Work